



**NC Get Covered Coalition Meeting  
Short-Term, Limited-Duration Health Plans  
August 17, 2018, 10:00 – 11:30 a.m.  
Community Care of North Carolina's Training Room  
2300 Rexwoods Drive, Raleigh, NC 27607**

**Desired Outcomes**

- Shared understanding of CMS' final rule on short-term, limited-duration health plans and consumer risk.
- Overview of marketing practices, agent and broker conduct standards, potential problems and how to report them.

**Meeting Notes**

**Final Rule on Short-Term Health Plans + Q&A**

Brendan Riley, Policy Analyst, Health Advocacy Project, NC Justice Center

- **See attached PowerPoint slides.**
- Short-term, limited-duration (STLD) health plans were originally designed to fill short gaps in coverage.
- STLD plans are not subject to ACA market rules; they look like pre-ACA plans.
- No age-band limits. Currently, older adults can pay no more than 3x what a younger person pays for health insurance.
- Lower medical loss ratios, meaning the amount of premium that goes towards actual health care costs will be lower under STLD plans.
- According to The Kaiser Family Foundation, out-of-pocket maximums are much higher under STLD plans – as high as \$30,000.
- Do not cover maternity care and other critical treatments/medical needs.
- In 2016, the Obama Administration said STLD plans could only last up to 3 months without extensions or renewals. Under the Trump Administration, however, these plans can last up to 12 months and be extended/renewed for up to 3 years.
- CMS' final rule will take effect in October 2018.
- Premiums are expected to rise as a result of the final rule, and we will continue to lose unsubsidized consumers because of the high cost of coverage.
- **Q&A:**
  - Lots of fine print with STLD plans; consumer education will be key!
  - There are no best practices regarding the materials/information that in-person assisters should provide to consumers about STLD plans.
    - NC Get Covered will develop a fact sheet and Talking Points to share with partners.
  - The sale of these plans will be regulated by the NC Department of Insurance.

**Short-Term Health Plans: Marketing Practices & Consumer Complaints + Q&A**

Angela Hatchell, Deputy Commissioner, Agent Services Division, NC Department of Insurance

- **See attached PowerPoint slides.**
- A license is required to sell, solicit or negotiate insurance in our state.
  - Consumers can go online to ensure an agent or broker is properly licensed to sell insurance, including STLD plans.
- Agents and brokers must send any advertising materials to their company first, and their company can then send the materials to the NC Department of Insurance's Life and Health Division for review.
  - You can reach the Life and Health Division at 919-807-6055.
- **Q&A:**
  - Most changes to CMS' final rule must be done legislatively by the state of North Carolina.
  - A big marketing push for short-term health plans is expected to occur around Open Enrollment Period 6 which is very concerning.

#### **Partner Announcements/ Open Discussion**

- Neph Best (NC Get Covered) and April Morgan (NC Community Health Center Association) talked about National Health Center Week and the organizations that were recognized.
- Jan Plummer from Mountain Projects, Inc. discussed a local effort to help consumers pay their medical bills.

#### **Wrap-Up & Next Steps**

- NC Get Covered's next coalition meeting will be held on Friday, September 21 from 10:00 to 11:30 a.m. Please mark your calendar!

**Thank you for your support!**